

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W- 02476A	<div>B</div>
Bradshaw Water Co., Inc.	
P.O. Box 12758	
Prescott Valley, AZ 86304	
RECEIVED APR 10 2008 AZ CORP COMM Director Utilities	

ANNUAL REPORT

FOR YEAR ENDING

12	31	2007
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FOR COMMISSION USE

ANN 04	07
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PROCESSED BY:

5-6-08

SCANNED

COMPANY INFORMATION

Company Name (Business Name) Bradshaw Water Co., Inc.

Mailing Address P.O. Box 12758

(Street)

Prescott Valley

(City)

AZ

(State)

86304

(Zip)

(928) 788-1888

Telephone No. (Include Area Code)

(928) 778-2984

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address bwco@cableone.net

Local Office Mailing Address Same

(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: Don Bohlier

(Name)

Owner

(Title)

4750 N. Tonto Circle

(Street)

Prescott Valley

(City)

AZ

(State)

86314

(Zip)

(928) 713-3772

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: Don Bohlier

(Name)

4750 N. Tonto Circle

(Street)

Prescott Valley

(City)

AZ

(State)

86314

(Zip)

(928) 778-1888

Telephone No. (Include Area Code)

(928) 778-2984

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Musgrove, Drutz & Kack P. C.

(Name)

P.O. Box 2720 Prescott, AZ 86302

(Street)

(City)

(State)

(Zip)

(928) 445-5935

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Jim Musgrove

(Name)

P.O. Box 2720 Prescott, AZ 86302

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☒ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY INFORMATION

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	58,234	55,032	3202
311	Pumping Equipment	84,243	98,217	(13974)
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	204,825	164,132	40,693
331	Transmission and Distribution Mains	949,252	438,480	510,772
333	Services	56,372	25,826	30,546
334	Meters and Meter Installations	10,575	3,385	7,190
335	Hydrants	26,690	12,436	14,254
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	1,390,191	797,509	592,682

This amount goes on the Balance Sheet Acct. No. 108

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	58,234	3.33%	1,939
311	Pumping Equipment	84,243	12.50%	10,530
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	204,825	2.00%	4,097
331	Transmission and Distribution Mains	949,252	2.00%	18,985
333	Services	56,372	3.33%	1,877
334	Meters and Meter Installations	10,575	8.33%	881
335	Hydrants	26,690	6.67%	1,780
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	1,390,191		40,089

This amount goes on the Comparative Statement of Income and Expense _____
 Acct. No. 403.

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$5810	\$2759
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	(3441)	9682
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	3962	3962
	TOTAL CURRENT AND ACCRUED ASSETS	\$6331	\$16403
	FIXED ASSETS		
101	Utility Plant in Service	\$1212935	\$1390191
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(744,930)	(797,509)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$468,005	\$592682
	TOTAL ASSETS	\$474,336	\$609,085

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$17,849	\$4,110
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	20,155	21546
235	Customer Deposits		
236	Accrued Taxes	536	547
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$38,540	\$25,656
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$37,467	\$35,894
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	\$163,231	\$163,231
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$163,231	\$163,231
	TOTAL LIABILITIES	\$200,698	\$199,125
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$998,500	\$998,500
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	(869,353)	(897,322)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$129,147	\$101,178
	TOTAL LIABILITIES AND CAPITAL	\$329,845	\$300,303

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	123,633	\$126,892
460	Unmetered Water Revenue		
474	Other Water Revenues	3,610	953
	TOTAL REVENUES	\$127,243	\$127,845
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water	54,661	62,482
615	Purchased Power	4,270	5,327
618	Chemicals		
620	Repairs and Maintenance	8,856	4,037
621	Office Supplies and Expense	26,697	20,196
630	Outside Services	14,294	19,766
635	Water Testing	1,665	1,782
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	4,408	3,821
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case	3,614	
675	Miscellaneous Expense	2,198	25
403	Depreciation Expense	27,600	40,089
408	Taxes Other Than Income		
408.11	Property Taxes	3,201	3,053
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$151,464	\$160,578
	OPERATING INCOME/(LOSS)	\$(24,221)	\$(32,733)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income	836	3,366
426	Miscellaneous Non-Utility Expenses	1,056	1,138
427	Interest Expense	1,268	1,252
	TOTAL OTHER INCOME/(EXPENSE)	\$(1,489)	\$976
	NET INCOME/(LOSS)	\$(25,710)	\$31,757

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	01/26/2001			
Source of Loan	WIFA			
ACC Decision No.	62904			
Reason for Loan	Finance Water Tank			
Dollar Amount Issued	\$45,000	\$	\$	\$
Amount Outstanding	\$35,894	\$	\$	\$
Date of Maturity	06/01/2021			
Interest Rate	6.3%	%	%	%
Current Year Interest	\$1252	\$	\$	\$
Current Year Principle	\$ 1138	\$	\$	\$

Meter Deposit Balance at Test Year End \$ _____

Meter Deposits Refunded During the Test Year \$ _____

COMPANY NAME	
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-511113	1.5	7.5	380	6	1 ½	1985
55-501033	3.0	23.0	130	6	1 ½	1981
55-610663	1.5	10.0	145	6	1 ½	1966
55-524180	3.0	10.0	690	6	1 ½	1989

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Prescott Valley Water District	120	11795

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
.75	1	24	
1.50	3		
10.0	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
23,000	1	1,000	1
33,200	1	30	1
47,500	1	50	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME Bradshaw Water Co	
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	3386
3		
4	PVC	14,459
5		
6	PVC	22,548
8	PVC	10,744
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	162
3/4	
1	2
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Bradshaw Water Co.

Name of System:

ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2007

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	161	755	2277	752
FEBRUARY	162	605	1966	638
MARCH	162	779	1887	1271
APRIL	162	1,095	1964	911
MAY	163	1,140	2108	468
JUNE	162	1,178	2237	1285
JULY	162	1,683	2547	1525
AUGUST	162	7813	1892	1500
SEPTEMBER	162	1,052	2038	797
OCTOBER	162	1319	2005	948
NOVEMBER	162	1,683	2244	1040
DECEMBER	162	657	1918	660
TOTALS →		19759	25083	11795

What is the level of arsenic for each well on your system? _____ mg/l

(If more than one well, please list each separately.)

55-11113 0.008 mg/l

55-501033 0.008 mg/l

55-610663 0.074 mg/l

55-524180 0.016 mg/l

If system has fire hydrants, what is the fire flow requirement? 1000 GPM for 1 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?

() Yes

(x) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?

(X) Yes

() No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes

(x) No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME **Bradshaw Water Co. Inc.** YEAR ENDING **12/31/2007**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2007 was: \$ **6,254.63**

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why.

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

RECEIVED

APR 11 2008

ARIZONA CORP. COMM.
ARIZONA UTILITIES

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Yavapai

NAME (OWNER OR OFFICIAL) Don Bohler

COMPANY NAME Bradshaw Water Co. Inc

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

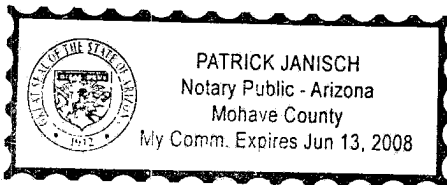
MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



Donald Bohler

SIGNATURE OF OWNER OR OFFICIAL

928-772-8441 / 928-778-1888

TELEPHONE NUMBER

Patrick Janisch

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

15

DAY OF

(SEAL)

MY COMMISSION EXPIRES 13 Jun 2008

COUNTY NAME

MONTH

Apr

2008

SIGNATURE OF NOTARY PUBLIC

COMPANY NAME Bradshaw Water Co. Inc. YEAR ENDING 12/31/2007

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported \$ -103,973
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported \$ -103,973
Estimated or Actual State Tax Liability \$ 50.

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Donald Bohler
SIGNATURE

4-15-08
DATE

DONALD BOHLER
PRINTED NAME

owner
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

APR 17 2008

STATE CORP. COMM.
DIRECTOR UTILITIES

VERIFICATION

STATE OF AZ

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

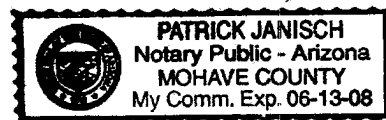
\$ 144,415

(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 197,337.72

IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**



Donal Bohler

SIGNATURE OF OWNER OR OFFICIAL

928-778-1888

TELEPHONE NUMBER

Patrick Janisch

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

15

DAY OF

(SEAL)

COUNTY NAME	<u>Yavapai</u>	
MONTH	<u>Apr</u>	<u>2006</u>

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 13 Jun 2008

STATE CORP. COMM.
DIRECTOR UTILITIES

MAY 05 2008

RECEIVED

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE**
Intrastate Revenues Only

RECEIVED

APR 1 2008

42 CORP COMM
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

COUNTY OF (COUNTY NAME) Yavapai	
NAME (OWNER OR OFFICIAL) Don Bohler	TITLE Owner
COMPANY NAME Bradshaw Water Company Inc	

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

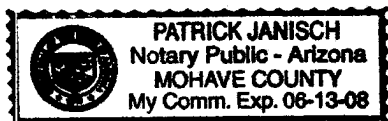
SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <u>144,415</u>

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 197,337.72
IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**



Donall Bohler
SIGNATURE OF OWNER OR OFFICIAL
928-778-1888
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15 **DAY OF**

(SEAL)

MY COMMISSION EXPIRES

13 Jun 2008

NOTARY PUBLIC NAME	<u>Patrick Janisch</u>
COUNTY NAME	<u>Yavapai</u>
MONTH	<u>Apr</u> <u>20</u> <u>08</u>

X [Signature]
SIGNATURE OF NOTARY PUBLIC